

TENNESSEE ALCOHOLIC BEVERAGE COMMISSION

**Minutes
April 27, 2006
1:00 p.m.**

The regular meeting of the Tennessee Alcoholic Beverage Commission was held on Thursday, April 27, 2006 in Nashville, Tennessee at 1:00 p.m. Chairman John Jones, Commissioners Cynthia Bond and Harlan Mathews were present. Executive Director Danielle Elks, Assistant Director Carolyn Smith, CLEO Mark Hutchens, and ASAC Andy Woodall from the staff were present.

- 1. The Minutes for March 16, 2006 Commission Meeting were approved.**
- 2. OLD BUSINESS**

**A. CEDAR BLUFF DISCOUNT
KNOXVILLE, TENNESSEE (KNOX COUNTY)**

Licensee/Seller: Cork, Inc.
Stockholders: Elizabeth Cox

Before the Commission is a request for a transfer of location of the retail store currently located at 9149 Cross Park Drive, in Knoxville, Tennessee. The licensee wishes to move to 9141 Cross Park Drive, Suite 1, in Knoxville, Tennessee. This request is based upon the current landlord's desire to end the lease and not renew. Cox and Cox Realty have a lease at the proposed location, and are currently constructing a 10,000 square foot building, of which 6000 square feet will be rented by Cork, Inc. All documentation has been submitted with the exception of the following:

- a. TABC Inspection;
- b. Use and Occupancy Permit

Discussion/Action Taken:

Director Elks stated that the matter was continued from the March 2006 Commission Meeting. She stated that the staff had not received the Certificate of Compliance by the date of the March Commission meeting. Since that date the staff has received the Certificate of Compliance. Chairman Jones made a motion to approve upon submission of the pending documentation. Commissioner Mathews seconded the motion, and it was approved with 3 ayes.

3. RETAIL PACKAGE STORES:

**A. TONY’S FINE LIQUOR
COLUMBIA, TENNESSEE (MAURY COUNTY)**

Licensee/Seller: Nilesh P. Patel
Applicant/Buyer: Divine, Inc.
Stockholder: Tasyi Patel

Before the Commission is a request for a transfer of ownership of the retail store currently located at 115 Nashville Highway in Columbia, Tennessee. Ms. Tasyi Patel desires to purchase the business from Nilesh Patel for \$115,000. Financing is based upon a seller-financing arrangement. If approved, Ms. Patel would operate the business as a corporation. All documentation has been submitted with the exception of the following:

- a. TABC Inspection;
- b. Acknowledgement of the Rules and Regulations;
- c. Lease from Nancy and Edward Cook to Divine, Inc.;
- d. Page 2 of Patel’s financial document completed;
- e. Acknowledgement from Nilesh Patel that he can have no other interest in any other liquor business.

Discussion/Action Taken:

Director Elks reviewed the application for the Commissioners. She recommended approval upon submission of the following documentation:

- a. TABC Inspection;
- b. Acknowledgement of the Rules and Regulations;
- c. Lease from Nancy and Edward Cook to Divine, Inc.;
- d. Page 2 of Patel’s financial document completed;
- e. Acknowledgement from Nilesh Patel that he can have no other interest in any other liquor business.

Commissioner Mathews made a motion to approve upon submission of the pending documentation. Commissioner Bond seconded the motion, and it was approved with 3 ayes.

**B. HOLLYWOOD LIQUORS
JACKSON, TENNESSEE (MADISON COUNTY)**

Licensee/Seller: R & S Properties, LLC
Members: Vernon Swartwood and Gary Rolison
Applicant: LMN Investments, LLC
Stockholder: Drew Baker, Brian Sallee, Alan Sallee, Jr., and Michael Betz

Before the Commission is a request for a transfer of ownership of the existing retail store located at 801 Hollywood Drive, in Jackson, Tennessee. Mr. Drew Baker, Brian Sallee, Alan Sallee, Jr. and Michael Betz desire to purchase the business for \$250,000 and operate it as an LLC. Financing is based upon the following: Drew Baker (50%) would invest \$35,000 by re-financing his home; Brian (16 2/3%) and Alan Sallee (16 2/3%) would each invest \$11,330 from personal funds; and Michael Betz (16 2/3%) would invest \$12,000 based upon a promissory note with Braintree Laboratories, Inc. The remaining purchase price, plus miscellaneous, (\$292,000) is based upon a loan with AmSouth Bank. All documentation has been submitted with the exception of the following:

Discussion/Action Taken:

Drew Baker was present at the meeting. Director Elks reviewed the application for the Commissioners. She recommended approval upon submission of the TABC Inspection. Commissioner Bond made a motion to approve upon submission of the TABC Inspection. Commissioner Mathews seconded the motion and it was approved with 3 ayes.

**C. GRAND CRU
NASHVILLE, TENNESSEE (DAVIDSON COUNTY)**

Licensee/Seller: Grand Cru Wine and Spirits, LLC
Stockholders: Ellen Christianson, Caroline Cooke Wilson, and Collie Daily

Before the Commission is a request for an extension of time to submit requested information. On December 15, 2005, the Commission approved a request for a transfer of stock to Caroline Wilson and Collie Daily subject to the submission of certain financial documentation. On March 14, 2006, TABC staff granted a 30 day extension of time. Grand Cru Wine and Spirits, LLC is requesting a last 30 day extension of time to submit the documentation.

Discussion/Action Taken:

Chris Raybeck, attorney, was present at the meeting. Director Elks reviewed the application for the Commissioners. She stated that we have received the affidavits of Collie F. Daily and Carolyn Cooke Wilson. She stated that we have not received the Bank Credit Check of Carolyn Cooke Wilson. She recommended approval upon submission of the Bank Credit Check of Carolyn Cooke Wilson. Director Elks stated that if the document has not been received by the May Commission Meeting, then they will have to reapply. Commissioner Mathews made a motion to grant the 30 day extension. Commissioner Bond seconded the motion and it was approved with 3 ayes.

4. CONTESTED CASES

a. ADMINISTRATIVE HEARINGS

1. PATRICK LYNN COTHAM

On February 24, 2006, TABC Agent Lanny Janeway issued an administrative citation to Mr. Cotham for a violation of T.C.A. §§39-16-504—destruction and/or tampering with governmental documents, and 57-3-704(5)—failure to satisfy server permit requirements. TABC alleges that Respondent altered his server permit so that the expired permit would appear valid.

Discussion/Action Taken:

Assistant Director Smith stated that the Administrative Citation has been resolved. She stated that we are receiving payment on the citation; therefore, a hearing is not necessary.

2. ANGELA DAWN WILLIAMS

On February 23, 2006, TABC Agent Lanny Janeway issued an administrative citation to Angela Williams, who works at Milano's Italian Restaurant. TABC alleges that Respondent altered a server permit issued to her niece, Amber Williams, and used Amber Williams's permit as her own. Ms. Angela Williams is ineligible for a server permit due to felony convictions.

Discussion/Action Taken:

Assistant Director Smith stated that the staff is requesting a default judgment upholding the citation issued to Ms. Angela Dawn Williams. Ms. Smith stated that Agent Lanny Janeway is present at the Commission. Agent Janeway testified that on January 10, 2006 at approximately 1:00 p.m. he was contacted by the owner of Milano's Restaurant that stated that a former employee was using a forged server permit card. He stated that upon observing the actual permits, it was obvious that the name had been altered on the server permit card. Agent Janeway confronted Ms. Angela Dawn Williams and she admitted that she and her niece, Amber Marie Williams had changed the name on Amber's permit to reflect Angela's name. Angela Williams could not obtain a server permit card because she was a convicted felon. Agent Janeway stated that he issued a citation to both individuals. Agent Janeway stated that he did not charge her criminally and chose to issue her an administrative citation because at the time Ms. Williams was still on parole and would return to the penitentiary if convicted.

Director Elks stated that Ms. Williams had been notified and had adequate notice that the hearing would be held today at the Commission Meeting. Director Elks stated that the staff would contact her parole officer regarding this matter.

Director Elks stated the staff is finding, on a semi regular basis across the State, fake and altered server permit cards. She stated that she has been in contact with Dan Haskell, lobbyist for the Tennessee Restaurant Association, regarding this matter. She further stated that the staff is looking into the matter to make the server permit cards more tamper proof, as well as connecting into the Tennessee Department of Safety's driver's license system to incorporate the picture on a laminated server permit card. If able to do this function, then the permit cards will be more expensive.

Chairman Jones stated that the news media should be contacted regarding this matter and that the TABC is taking corrective action. Director Elks stated that that would be done.

Director Elks stated that the first motion would be to issue a default judgment against Angela Dawn Williams for not appearing today upon having adequate notice. The second motion would be to uphold the issuance and the merits of the administrative citation.

Chairman Jones made a motion to uphold a default judgment against Angela Dawn Williams for not appearing before the Commission today. Commissioner Bond seconded the motion. The motion was approved with 3 ayes.

Chairman Jones made a second motion to uphold the issuance and the merits of the administrative citation as issued by the staff. Commissioner Mathews seconded the motion. The motion passed with 3 ayes.

3. AMBER MARIE WILLIAMS

On February 23, 2006, TABC Agent Lanny Janeway issued an administrative citation to Amber Williams. TABC alleges that Respondent altered a server permit issued to her so that her aunt, Angela Williams, would be able to work under this permit. Ms. Angela Williams is ineligible for a server permit due to felony convictions.

Discussion/Action Taken:

Assistant Director Smith stated that the Administrative Citation has been resolved. She stated that the citation has been paid; therefore, a hearing is not necessary.

- 5. SPECIAL OCCASION LICENSES**
- 6. CONSUMER EDUCATION SEMINAR LICENSES**
- 7. PERSONNEL**
- 8. BUDGET**
- 9. CONSENT ORDERS**
- 10. PENDING MATTERS LIST**
- 11. MISCELLANEOUS**
- 12. DATE OF NEXT MEETING – May 18 at 1:00 p.m. and June 15 at 1:00 p.m.**

There being no further business the meeting was adjourned.

Shari Danielle Elks
Executive Director

John A. Jones
Chairman

